

MINUTES OF THE SPECIAL CITY COUNCIL MEETING  
TUESDAY- -MAY 27, 2008- -6:00 P.M.

Mayor Johnson convened the Special Meeting at 6:12 p.m. Councilmember Gilmore led the Pledge of Allegiance.

Roll Call - Present: Councilmembers deHaan, Gilmore, Matarrese, Tam and Mayor Johnson - 5.

Absent: None.

(08-228) Workshop on the City's Two-year Financial Plan and Capital Improvement Projects for Fiscal Years 2008-10.

The City Manager gave a Power Point presentation.

Mayor Johnson raised questions about the decline in housing sales.

Councilmember deHaan inquired what is the surcharge for Alameda Power & Telecom (AP&T), to which the City Manager responded the amount would be provided.

The City Manager continued the presentation.

Mayor Johnson inquired whether there is a portion of the Public Works' budget, such as the sewer fund, that should be removed from the General Fund, similar to Planning and Building.

The City Manager responded portions of the Public Works' budget that come from other funds are incorporated in the General Fund; stated staff keeps track of said funds.

Mayor Johnson stated including the funds makes the General Fund look larger.

Councilmember Matarrese stated the funds cannot be spent on other things.

The City Manager stated the matter could be explored.

Mayor Johnson requested that the suggestion be reviewed.

Vice Mayor Tam raised questions about revenues from parking and speeding tickets.

The City Manager continued the presentation.

Councilmember deHaan inquired whether there is a breakdown of the

transfers from other departments, to which the Finance Director responded the amount could be provided.

Councilmember deHaan stated AP&T has the Utility Users Tax and franchise fees; inquired whether the total amount of what AP&T brings in is available.

The Finance Director responded that she could provide said amount.

The City Manager continued the presentation.

Mayor Johnson requested information on whether Police Department overtime is due to the five unfilled positions.

Vice Mayor Tam requested an explanation of the disparity between the cost to run the animal shelters at San Leandro and Alameda; questioned whether there is the same level of service and whether the one time donation will offset a significant portion of the cost.

Council requested information on trends and projections of animal shelter donations.

Regarding the animal shelter donation, Councilmember deHaan requested information on investing the \$270,000.

Councilmember Matarrese requested staff to review whether there is any capacity in the animal shelter for people outside the City to contract for the City's service.

Councilmember Gilmore inquired exactly how much is being saved by reducing one Senior Dispatcher position; stated that before she agrees to cut the position, she would like information about where the City was and is now, and what trade-offs are involved.

Councilmember Matarrese stated the presentation talked about guiding principles; in the past when the City was squeezed, the Council said that it wanted to flatten the organization as a policy; he would like the Council to consider said direction; instead of taking from the point of service delivery, upper management should be reviewed; people still would be supervised but management would be consolidated; the delivery of internal versus external services should be reviewed; the tip should go to protecting external delivery of service; the City can live with internal delivery of service slowing down; that he wants to ensure that the Council reviews giving said direction as a policy or principle; police and fire are delivering services on the street; he does not believe in across the board reductions if services

delivered to the street are impacted.

Mayor Johnson stated a city in Alameda County has a contract to provide jail services [to other cities]; inquired whether the City could look at doing the same.

Vice Mayor Tam stated the Council should identify priority issues that should be restored if additional savings can be found in other parts of the budget, such as the Golf rebate on the ROI (Return on Investments), the animal shelter, the Meyer's House, furloughing during the holidays, or some of the other revenue enhancement proposals that will be discussed; a way should be found to restore direct services.

Councilmember deHaan stated that he has concerns about overtime reduction; the past record has been flat; inquired how much the percentage will be brought down from 4.3% and the amount that will be saved.

Councilmember Matarrese stated that he wants to be told if the Police Chief recommends funding police officer and dispatch positions; Council can figure out what has to go if positions should be funded; that he would like to hear from department heads if the City cannot do without positions; the experts responsible for the department need to inform Council what positions are really needed and the budget needs to be worked back from that.

Mayor Johnson stated the cuts assume a 0% pay increase; said assumption might not be what occurs; the issue should be considered unless staff is confident that a 0% pay increase is a correct assumption.

The City Manager continued the presentation.

Councilmember Matarrese requested a description of the two Fire Department workforce changes.

Councilmember Gilmore stated overtime varies from day to day; that she wants to know how it is managed under the scenario and how mutual aid works under the scenario; that she is going to have to see how the proposal works.

Councilmember deHaan stated more in depth information on call back overtime is needed; inquired whether other municipalities have adopted something similar [rotating fire station closures].

The City Manager responded other cities have done it on a short-term basis.

Councilmember deHaan stated response time would be impacted; inquired whether there would be an active truck at each station.

The City Manager stated the information would be provided by the Fire Chief; continued the presentation.

Following Council discussion regarding retaining Park Directors, the City Manager stated the issue would be placed on the issue bin.

Mayor Johnson stated the tennis court light issue needs to be addressed; a lit court is needed on the eastern part of Alameda.

Vice Mayor Tam stated that she objects to eliminating the Senior Clerk position which provides direct service to the community; inquired whether costs of other programs could be reduced; raised questions about the Meyer's House.

Councilmember Matarrese requested staff to explore relinquishing the Meyer's House back to the trust.

Mayor Johnson stated the Council should adopt a resolution saying that City money will not be used to subsidize the Meyer's House ; further stated the Meyer's House should be moved out of Recreation's budget and the funds should remain in Recreation.

Councilmember Gilmore clarified Mayor Johnson is suggesting the amount [\$25,000] that the City is subsidizing the Meyer's House should remain in the Recreation and Parks Department's budget.

Councilmember deHaan requested staff to provide the total amount spent on special events.

Mayor Johnson stated elimination of the Golf surcharge and Return on Investment (ROI) needs to be discussed; stated not continuing the surcharge in some form is seriously impacting the budget.

Councilmember deHaan questioned why staffing levels cannot get back to the level five years ago; stated all departments should look at why growth occurred.

The City Manager stated the matter was captured on the issue bin; continued the presentation.

Councilmember Matarrese questioned whether not funding two Public Works maintenance workers really saves money; inquired whether maintenance would be impacted and whether the City would be adding to its deferred maintenance.

Mayor Johnson stated funds that are not discretionary should be removed from the General Fund or shown as discretionary and non-discretionary.

The City Manager continued the presentation.

Mayor Johnson requested staff to provide information on how much the refinancing would save per year and how much it would cost the City; stated the net amount should be provided.

Councilmember deHaan stated some bonds have been previously refinanced; he would like to know when the bonds were refinanced and the cost.

Councilmember Matarrese stated the issue strikes him as a guiding principle; that he does not mind refinancing debt for hard assets; that he objects to borrowing money for operations; he would like Council to consider said policy.

Councilmember deHaan stated staffing increased proportionally through all departments in 1997 when the City took over the former Naval Air Station; he would like the numbers reviewed more in depth.

Mayor Johnson stated a formal request should be made to the Navy to request payment for police and fire service at the Base; the City cannot afford to pay for the service.

Following Vice Mayor Tam's questions regarding redevelopment funds, the City Manager stated information would be provided.

Vice Mayor Tam requested the information be posted on the City's website.

The City Manager continued the presentation.

Councilmember deHaan raised questions about the Planning and Building Department moving into the Carnegie Building.

Following discussion of uses of permit fees, the City Manager stated additional information would be provided.

Mayor Johnson requested when changes for window permits are made, the matter should be placed on a Council agenda.

Councilmember deHaan requested more detailed information on the amount of General Fund reserves available and loaned out.

Mayor Johnson and Councilmember deHaan requested a formal policy restricting use of the General Fund reserve for one-time purposes.

The City Manager continued the presentation.

Mayor Johnson stated there is not a real reserve because there are outstanding obligations are not being paid for; the budget needs to acknowledge said obligations.

Councilmember deHaan stated that he would like to know the current amount of deferred maintenance; what the City is facing should be included in the budget.

The City Manager continued the presentation.

Mayor Johnson questioned whether there is more that can be done now to balance the Golf budget; requested a report on the status of using the reserves for operating expenses; stated there should be a report to the Council; further stated direction should be given to the Golf Commission that the Council expects the Commission to come up with a short-term plan.

Councilmember Gilmore suggested holding another joint meeting with the Golf Commission.

Mayor Johnson stated two Councilmembers could work with the Golf Commission if scheduling a meeting is difficult.

The City Manager suggested that the Golf Commission could be invited to attend the Council meeting when the Master Plan is presented; stated staff would provide suggestions and ideas about how to move forward.

Councilmember Matarrese stated the Golf Commission reports to Council; the matter should be placed on an agenda and the Council should vote to give direction for the Golf Commission to establish a short-term plan by a certain time.

Mayor Johnson requested that the Golf Commission be informed that the matter is being placed on a Council agenda; stated the matter needs to be brought to the Council very soon; stated giving direction should be placed on the second meeting in June.

The City Manager stated the matter would be put on the issue bin; staff would determine the best way to follow up; continued the presentation.

Domenick Weaver, Alameda Firefighters Local 689 President, stated that he is in strong opposition of the Fire Department budget cuts; urged Council to hire full staff to control overtime.

Robb Ratto, Park Street Business Association, challenged Council to make the cuts as minimal as possible; stated the Police and Fire Department are essential to the business community; Council should find a way to fund positions and have the Police and Fire Department at full strength in three years; urged the City to look into corporate sponsorships.

#### Adjournment

There being no further business, Mayor Johnson adjourned the Special Meeting at 10:05 p.m.

Respectfully submitted,

Lara Weisiger  
City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.